



# Some Pre-Filing Considerations in Patent Litigation

Talk to the Litigation Committee of  
the Intellectual Property Law Section of  
the State Bar of California

February 19, 2008

Alan P. Block  
Hennigan, Bennett & Dorman LLP  
865 S. Figueroa Street  
Suite 2900  
Los Angeles, California 90017  
213-694-1200  
blocka@hbdlawyers.com

# [ Some Pre-Filing Considerations in Patent Litigation ]

- Which patents?
- Who to sue?
- Where to sue?
- Pre-filing investigation.
- Checklist.

# [ Which Patents? ]

- What is in your portfolio?
  - Are multiple patents being infringed?
    - How many to include?
  - Are there open continuations?
    - Possible effect of new patent office rules.
  - Is a broadening reissue a possibility?

# [ Which Patents, cont'd? ]

- Are you practicing your patents?
  - Reasonable royalty vs. lost profits.
  - After *e-Bay*, injunction vs. damages only.
  - ITC as a possible venue (domestic business requirement).
- Ensure marking of products made in accordance with the claims. 35 U.S.C. § 287(a).
  - If not, give early written notice of infringement.

# [ Who to sue? ]

- Method Claims vs. System Claims.
  - U.S. vs. Foreign Activities.
    - *NTP, Inc. v. Research in Motion, LTD.*, 418 F.3d 1282, 1318 (Fed. Cir. 2005).
  - Joint infringement.
    - *BMC Resources, Inc. v. Paymentech, LP.*, 498 F.3d 1373, (Fed. Cir. 2007).

# [ Who to sue? ]

- Direct infringer vs. Indirect infringer.
  - For indirect infringement, knowledge of the patent and its infringement are necessities.
    - More difficult to prove than direct infringement.
    - Consider early notice of the patent.
    - *DSU Medical Corp. v. JMS Co., Ltd.*, 471 F.3d 1293, (Fed. Cir. 2006)
- Multiple defendants.
  - Are MDL proceedings a possibility?

# [Where to sue?]

- Does the court have patent local rules?
  - N.D. California Patent Local Rules.
    - Adopted in other courts.
      - S.D. California.
      - E.D. Texas.
      - Some individual judges.
  - No Patent Local Rules in the C.D. California.

# [ Pre-Filing Investigation ]

- Reasons for a thorough pre-filing investigation.
  - Good to know in advance whether there are any “show stoppers.”
  - Rule 11 and Section 285 of the patent act require an inquiry that is reasonable under the circumstances.

# [ Pre-Filing Investigation, cont'd. ]

- Understand the limitations of your patent claims and the validity of the patent:
  - Consider how the claims may be construed by the Court, and what an accused infringer would contend.
  - Review the file history for statements and for anything unusual.
  - Consider possible design around.
  - Consider possible prior art problems.
  - Employ consulting experts.

# [ Pre-Filing Investigation, cont'd. ]

- Consider all possible defenses.
  - Prior art searches.
  - Enablement.
  - Written description.
  - Indefiniteness.
  - Best mode.
  - Inventorship.
  - Ownership.
  - Inequitable conduct.
    - Review your files for prior art that may not have been submitted to the PTO.

# [ Pre-Filing Investigation, cont'd. ]

- Know the infringer's activities.
  - Obtain samples of accused product if you can.
  - If you cannot get a sample, ask for one or ask for explanation why there is no infringement.
  - If possible, reverse engineer the accused product.
  - Don't rely on marketing literature alone.
  - Don't make guesses where you could have found the answer.

# [ Pre-Filing Investigation, cont'd. ]

- Before filing the lawsuit, prepare a claim chart.
  - Include the possible claim construction and a comparison to the accused product required.
  - Almost guaranteed – you will be asked to justify your infringement case early on.
    - N.D. Cal. Patent Local Rules essentially require it.
      - Amendments to go into effect for all cases filed after March 1, 2008.
        - Must obtain leave of court to modify infringement contentions.

# [ Pre-Filing Investigation, cont'd. ]

- Rule 11 requires at least that:
  - Counsel, not the client, obtain a sample of the accused product, or at least attempt to obtain the product;
  - The claims of each asserted patent be reasonably interpreted (i.e., non-frivolous construction) and applied to the accused device; and
  - The infringement inquiry must occur *before* the lawsuit is filed; Rule 11 violations cannot be cured with after-the-fact investigations.

# [ Pre-Filing Investigation, cont'd. ]

- *Judin v. U.S.*, 110 F.3d 780 (Fed. Cir.1997).
- *View Engineering, Inc. v. Robotic Vision Systems, Inc.*, 208 F.3d 981 (Fed. Cir. 2000).
- *Antonious v. Spalding & Evenflo Cos., Inc.*, 275 F.3d 1066 (Fed. Cir. 2002).

# [ Pre-Filing Investigation, cont'd. ]

- Safe harbor of 35 U.S.C. § 295.
  - In cases involving infringement of a process patent based on the sale of a product made by the process, the burden of proving infringement can shift from the patentee to the accused infringer, where the court finds that:
    - The plaintiff made a reasonable effort, but was unable to determine if the process was actually used to produce the product, and
    - A substantial likelihood exists that the product was made by the patented process.

# Summary

- Pre-filing Investigation checklist:
  - Consider which patents/claims to assert.
    - Continuation or reissues possible or necessary?
    - Am I practicing patents and, if so, did I mark?
    - Am I going to assert system and/or method claims and does this affect whether there is a direct or indirect infringer, whether there are foreign vs. domestic activities, or whether I must prove joint infringement?
  - Study the patents to develop potential claim constructions for key terms (both sides).
    - Use those potential constructions to determine if a design around is possible.
    - Consider all possible invalidity challenges.
  - Study the accused device or process.
  - Prepare a claim chart.